



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

November 2, 1999

INFORMATIONAL MEMORANDUM: R&D-99-054

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Tim B. Witt /s/ Denise Hoffmann (for)
Deputy Administrator

SUBJECT: Florida Fruit Tree Pilot Crop Insurance Underwriting Certification Guidelines for Asiatic Citrus Canker (ACC) Coverage in Counties with an ACC Quarantine Zone

BACKGROUND:

Beginning with the 2000 crop year, the Risk Management Agency (RMA) added Asiatic Citrus Canker (ACC) as an insurable cause of loss for the Florida Fruit Tree Pilot Crop Insurance program. The policy provisions state that if a quarantine zone has been established in a county by either the Florida Department of Agriculture and Consumer Services Division of Plant Industry (DPI) or the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS), then applicants for insurance, carryover insureds who did not have ACC coverage the previous year, and insureds who wish to increase coverage must obtain an acceptable ACC Underwriting Certification from DPI to be eligible for ACC coverage. Applicants or insureds who fail to submit an acceptable certification form will still be eligible for coverage against the other perils listed in the policy.

ACTION:

Attachment 1 contains the approved ACC Underwriting Certification Guidelines. Attachments 2, 3, and 4 contain supplemental ACC certification forms. Reinsured companies are advised that:

1. This memorandum serves as notice that there is a DPI and/or APHIS ACC quarantine zone in Dade County, Florida, for all citrus tree species.



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All Programs Authorized Under the Federal Crop Insurance Corporation

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2. In Dade County, an ACC Underwriting Certification inspection is required for lime trees. Carambola trees, a non-citrus species, are insurable but do not require an ACC Underwriting Certification inspection.

3. ACC Underwriting Certification inspections may be obtained by sending a request to DPI at:

Citrus Canker Project Office
Attention: Mr. Jim McKee
6901 Sunrise Boulevard
Plantation, Florida 33313
Phone: (954) 797-6909
Fax: (954) 797-6950

4. ACC Underwriting Certifications are not required at this time in the other pilot counties (Highlands, Martin, Palm Beach, and Polk) in which the Florida Fruit Tree Pilot Crop Insurance program is available.

If you have any questions, please contact Mike O'Connell, Acting Director, Research and Evaluation Division (816) 926-6343.

DISPOSAL DATE:

This Informational Memorandum will remain active until incorporated into the Underwriting Certification Guidelines for Insuring Citrus Trees Against Asiatic Citrus Canker (ACC). The estimated disposal date is December 31, 2001.

Attachments (4)

ATTACHMENT 1

UNDERWRITING CERTIFICATION GUIDELINES FOR INSURING CITRUS TREES AGAINST ASIATIC CITRUS CANCKER (ACC)

I. GENERAL INFORMATION

The new Florida Fruit Tree Pilot Crop Provisions provide insurance coverage against infection by or exposure to Asiatic Citrus Canker (ACC). In order to obtain ACC coverage for citrus acreage in any county with an established quarantine zone, an acceptable ACC Underwriting Certification with a negative report from Florida's Division of Plant Industry (DPI) is required.

This certifies that the citrus trees are not infected by or exposed to ACC. It must be submitted before ACC coverage can attach. An ACC certification is also required in any such county for carryover policies that did not provide ACC coverage the previous crop year. **Carambola trees do not require an ACC Underwriting Certification.**

II. AVAILABILITY OF INSURANCE COVERAGE

- A. The Florida Fruit Tree Pilot Crop Insurance program is currently available in Dade, Highlands, Martin, Palm Beach, and Polk Counties.
- B. Coverage applies to all insured causes of loss:
 - (1) Including ACC coverage in a program county:
 - (a) **That does not contain an established ACC quarantine zone** (an ACC certification is not required), and
 - (b) **That contains an established ACC quarantine zone** if an acceptable ACC Underwriting Certification with a negative report is submitted.
 - (2) Except ACC coverage in a program county that contains an established quarantine zone and:
 - (a) An acceptable ACC Underwriting Certification is **not** submitted; or
 - (b) An acceptable ACC Underwriting Certification with a positive report is submitted.
- C. An ACC Underwriting Certification inspection has a positive report if any trees are indicated to be infected by or exposed to ACC. Otherwise, the report is negative.

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- D. If an acceptable ACC Underwriting Certification is submitted after the acreage report has been processed, a revised acreage report is required. ACC coverage will not take effect on any unit/section until it is submitted.
- E. ACC coverage applies on a unit/section basis for each crop. If citrus trees on a unit/section are certified ACC positive, the entire unit/section is ineligible for ACC coverage until control measures are carried out and the unit/section is recertified. Refer to the crop provisions for additional information on unit division guidelines. For example:

Example 1: An insured has one unit that contains two sections. DPI certifies one section as ACC positive. The other section is certified ACC negative. The acreage report will show one section with ACC coverage and the other section without ACC coverage.

Example 2: A situation similar to Example 1, where there are two units within a section. The acreage report would show one unit with ACC coverage, the other without ACC coverage.

III. ACC UNDERWRITING CERTIFICATION REQUIREMENTS

- A. For the 2000 crop year, when citrus trees are in a county containing a quarantine zone established by DPI, an acceptable ACC Underwriting Certification is required for **all new and carryover policies**.
- B. For the 2001 and succeeding crop years:
 - (1) When citrus trees are in a county with a quarantine zone established by DPI, an acceptable ACC Underwriting Certification is required:
 - (a) For all new policies; and
 - (b) For carryover policies that did not have ACC coverage the prior crop year.
 - (2) Once ACC coverage has been provided on a policy, ACC coverage is automatic for succeeding crop years **unless**:
 - (a) A coverage level is elected that is higher than the coverage level from the previous crop year (all units/sections must be recertified);
 - (b) There is a report of an increased share by the acreage reporting date (all affected units/sections must be recertified); or

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- (c) There is added land, if such addition causes the amount of protection to increase by more than 10 percent (only the unit/section with added land must be certified).

C. An ACC Underwriting Certification is acceptable if it is:

- (1) Submitted to the company no more than 30 days after the date of the certification. If this 30-day requirement is not met, a new certification is required.
- (2) Based on a DPI inspection performed within the time limits specified in the Special Provisions. For example, for the 2000 crop year, the Special Provisions state that:

<u>If the citrus trees are in:</u>	<u>Certification must be based on an inspection performed within:</u>
A quarantine zone	2 months of the certification date
A buffer zone	6 months of the certification date
In a county with an established quarantine zone, but outside a quarantine or buffer zone	12 months of the certification date. (No inspection is required for crops other than grapefruit.)

IV. INSURANCE COMPANY RESPONSIBILITIES

A. Before ACC coverage attaches, the company’s responsibilities are as follows:

<u>If the:</u>	<u>The appropriate action is to:</u>
Citrus trees are certified to be infected or exposed to ACC	Deny ACC coverage. Request producer to submit a new certification from DPI once the ACC control measures are carried out, i.e., the infected and exposed citrus trees are destroyed.
Certification is more than 30 days old when submitted	Deny ACC coverage. Request producer to submit a new DPI certification.
Citrus trees are abandoned	Deny coverage. Citrus trees are uninsurable.

B. Acreage reporting requirements:

- (1) In the top half of the “Date Planted” column block, enter by unit/section “ACC” to indicate ACC coverage is applicable. If ACC coverage is not applicable, make no entry.

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- (2) In the lower half of the column block, enter the crop year to indicate the crop year ACC coverage became effective.

Note: When a new certification is required for a policy or a unit/section (e.g., added land), replace the original crop year entry for the unit/section with the applicable crop year for the new certification. The ACC designation and date on the acreage report does not have to be entered at the time the insured is required to file an acreage report. The company underwriter may complete the ACC entries once the ACC insurability determination has been made.

V. ADMINISTRATIVE INFORMATION

- A. The entire ACC Underwriting Certification Guidelines document will be available on the RMA WebSite. Copies of the certification form can be downloaded from:

<http://www.rma.usda.gov/news/managers/r-and-d/>

- B. The information and requirements applicable to the ACC Underwriting Certification may change from time to time. RMA will issue updated forms and instructions by bulletin and WebSite, as required.

**Asiatic Citrus Canker (ACC) Underwriting Certification
for the 2000 and Succeeding Crop Years**

PART I: APPLICANT/INSURED/AGENT INFORMATION (To be completed by applicant/insured or agent)

Instructions: Fill in information for items 1 through 17. Upon completion, Fax or mail to the appropriate Division of Plant Industry (DPI) office. Attach a plat map or aerial photograph of the crop location. Once the ACC Underwriting Certification has been returned by DPI, submit it to the insurance company through the crop insurance agent. (See back side of form for additional information.)

(1) Applicant/Insured Name:		(2) Applicant/Insured Telephone Number:		
(3) Applicant/Insured Representative:		(4) Applicant/Insured Fax Number:		
(5) Applicant/Insured Mailing Address:		(6) County:	(7) Policy Number:	
(8) Crop Insurance Agent:		(9) Agent Mailing		
(10) Agent Telephone Number:		(11) Agent Fax Number:		
(12) Return Certification To: Applicant/Insured <input type="checkbox"/> Agent <input type="checkbox"/> via: Fax <input type="checkbox"/> Mail <input type="checkbox"/>				

PART II: GROVE STATUS

(13) Section	(14) Township	(15) Range	(16) Crop ¹	(17) Unit No.	(18) Grove Designation ²	(19) Insp. Req. Met? ³ Y, N, or NA	(20) Insp. Results ⁴ I, NI, or NA	(21) Abandoned Y or N	For Company Use Only ⁵

PART III: DIVISION OF PLANT INDUSTRY (DPI) INFORMATION (To be completed by DPI only)

Instructions: Complete items 18 - 21 in Part II above. Sign and date and return the completed and signed certification to the indicated person.

I certify that the information provided above is true and correct to the best of my knowledge.

_____ Signature: Authorized Department of Plant Industry Representative	_____ Title
_____ Name- Printed	_____ Date

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NOTES:

1. Completed by Agent: **Crop** (item 16), enter applicable crop name: Grapefruit, lemons, oranges, limes, and all other citrus. Enter “oranges” if the crop acreage includes early, midseason, late, or navel oranges. Enter “all other citrus” if the crop acreage includes temple oranges, tangerines, tangelos, or murcotts.
 2. Completed by DPI: **Grove Designation** (item 18), enter “Q” if the trees are located in a quarantine zone, “B” if the trees are located in a buffer zone, and “N” if the trees are located in neither a quarantine or a buffer zone.
 3. Completed by DPI: **Insp. Req. Met** (item 19), enter “Y” or “N” to indicate if inspection requirements were met, or “NA” if not applicable.
The requirements are:

<u>If the citrus trees are located in:</u>	<u>an inspection must have been performed within:</u>
A quarantine zone	2 months of the certification date
A buffer zone	6 months of the certification date
In a county with an established quarantine zone, but outside a quarantine or buffer zone	12 months of the certification date. (No inspection is required for crops other than grapefruit.)
 4. Completed by DPI: **Insp. Results** (item 20), enter “NI” if the trees are not infected or exposed; enter “I” if the trees are infected or exposed; or “NA” if not applicable.
 5. For Company Use Only: May be used by company underwriters to designate acreage as eligible or ineligible for ACC coverage.
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ATTACHMENT 4

Page ____ of ____

GROVE LOCATION PLAT MAP

(Name of Insured or Applicant) (County) (Policy Number)

Crop: _____ Unit No.: _____

Legal Description: Township: _____ Range: _____

Section: _____

Section: _____

Section: _____

Section: _____

Comments:

